

1 Kristen Monsell (CA Bar No. 304793)
2 Email: kmonsell@biologicaldiversity.org
3 Miyoko Sakashita (CA Bar No. 239639)
4 Email: miyoko@biologicaldiversity.org
5 Julie Teel Simmonds (CA Bar No. 208282)
6 Email: jteelsimmonds@biologicaldiversity.org
7 Center for Biological Diversity
1212 Broadway Suite 800
Oakland, CA 94612
Phone: (510) 844-7137
Facsimile: (510) 844-7150

Attorneys for Plaintiffs

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

CENTER FOR BIOLOGICAL DIVERSITY, et al.,

No. 2:24-cv-05459-FMO-MAA

Plaintiffs,

**JOINT FEDERAL RULE OF
CIVIL PROCEDURE RULE
26(f) REPORT**

DEBRA HAALAND, et al.,

Date: October 17, 2024

Time: 10:00 AM

Courtroom: 6D

Judge: Hon. Fernando M. Olguin

Defendants.

Defendants.

Pursuant to Federal Rule of Civil Procedure 26(f), Civil Local Rule (“L.R.”) 26-1, and this Court’s Order of September 6, 2024 (Dkt. No. 13), the Parties jointly submit this Case Management Report. Counsel for Plaintiffs and Defendants participated in the meeting required by Fed. R. Civ. P. 26(f) and this Court’s Order by telephone on September 20, 2024, and prepared the following Report.

1 **1. Statement of the Case**

2 In this case, Plaintiffs Center for Biological Diversity and Wishtoyo
3 Foundation challenge the decision of Defendants the Secretary of the Interior, the
4 Bureau of Safety and Environmental Enforcement, and the Bureau’s Pacific
5 Regional Supervisor (collectively, “BSEE”) to issue ExxonMobil extensions of its
6 16 offshore oil and gas leases in federal waters off California.¹ These leases
7 comprise what is known as the Santa Ynez Unit (“SYU”) located in the Santa
Barbara Channel.

8 Oil and gas operations at the SYU have been shut down since 2015 due to a
9 ruptured onshore pipeline used to transport oil produced from the SYU. Since
10 then, BSEE has issued one-year extensions of the 16 SYU offshore oil and gas
11 leases, issuing the most recent extension in November 2023. Such extensions were
12 issued to preserve the leases from expiring before the pipeline could be repaired.

13 As relevant to this case, to authorize the lease extensions, BSEE had to first
14 determine, under its regulations implementing the Outer Continental Shelf Lands
15 Act (“OCSLA”—the statute governing oil and gas development in federal waters,
16 43 U.S.C. § 1332—that granting the extensions “is in the National interest.” 30
17 C.F.R. § 250.180(e). BSEE also had to comply with the National Environmental
18 Policy Act (“NEPA”), which requires the preparation of an environmental impact
statement for all major federal actions that may have significant environmental
19 effects. 42 U.S.C. § 4322(2)(C).

20 Plaintiffs allege that BSEE failed to properly comply with both
21 requirements in issuing the most recent extension. Plaintiffs allege that extending
22 the SYU leases prolongs the existence of aging oil and gas infrastructure,
increasing the risks of oil spills and other accidents; and that extending the SYU

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¹ Sable Offshore Corp. now owns all of the leases.

leases also prolongs drilling off California and all the harms that come along with it. Plaintiffs also allege that BSEE failed to consider any of these harms in making its decision. Specifically, Plaintiffs allege that BSEE's national interest determination is unlawful for failing to consider several relevant factors, including evidence demonstrating that extending ExxonMobil's leases is antithetical to the national interest in addressing the climate crisis, promoting public health and environmental justice, recovering endangered species, and otherwise protecting the environment. Plaintiffs also allege that BSEE's determination that its decision is categorically excluded from NEPA is unlawful for ignoring relevant factors and reaching conclusions contrary to the evidence before the agency.

Defendants deny the above-described allegations.

Plaintiffs seek an order declaring that BSEE's approval of the SYU lease extensions violates OCSLA, NEPA, and the Administrative Procedure Act ("APA"); vacating the November 2023 lease extensions; and prohibiting BSEE from issuing any future lease extensions for the SYU unless and until BSEE complies with the law.

Defendants allege that Plaintiffs' requested relief is unwarranted.

2. Subject Matter Jurisdiction

Plaintiffs base jurisdiction under 28 U.S.C. § 1331 (federal question) because this action arises pursuant to the laws of the United States.

3. Legal Issues

There are two legal issues in this case, as reflected by Claim 1 and Claim 2 in Plaintiffs' Complaint: (1) whether BSEE's national interest determination is arbitrary capricious, and otherwise not in accordance with OCSLA and its implementing regulations, 5 U.S.C. § 706(2)(A); and (2) whether BSEE's reliance on a categorical exclusion to approve the lease extensions and its extraordinary circumstances review, and attendant failure to prepare an environmental

1 assessment or environmental impact statement, is arbitrary, capricious, otherwise
2 not in accordance with NEPA and its implementing regulations, and made without
3 observance of the procedures required by law, *id.* § 706(2)(A), (D).

4 **4. Parties, Evidence, etc.**

5 The Parties to this case are the Center for Biological Diversity and
6 Wishtoyo Foundation (Plaintiffs) and Secretary of the Interior Debra Haaland, the
7 Bureau of Safety and Environmental Enforcement, and Pacific Regional Director
8 of the Bureau of Safety and Environmental Enforcement Bruce Hesson
9 (Defendants). Plaintiffs are non-profit organizations that have no subsidiaries,
parents, or affiliates.

10 This case involves a challenge to an agency action under 706(2) of the
11 APA, 5 U.S.C. § 706(2). As such, the Court's review will be based on the
12 undisputed facts contained in the administrative record. *See Lands Council v.*
Powell, 379 F.3d 738, 743 (9th Cir. 2004). There will be no percipient witnesses.
13 The Parties have proposed a deadline for Defendants to lodge the administrative
14 record with this Court in the proposed schedule below.

15 **5. Insurance:** Not applicable

16 **6. Magistrate Judge**

17 The Parties do not consent to a magistrate judge for all purposes.

18 **7. Discovery**

19 The Parties do not anticipate any discovery, as this action will likely be
resolved based on the undisputed facts contained in the administrative record.

20 The Parties have no proposals on the items in Local Rule 26-1(a), (d) or
21 (f). This is not a complex case, and the Parties do not expect the Manual for
22 Complex Litigation to be utilized. *See L.R. 26-1(a)*. Because this case will be
23 resolved based on cross-motions for summary judgment after preparation of the
24 administrative record, the Parties do not anticipate a trial, *see L.R. 26-1(d)*, or the

1 use of expert witnesses, *see* L.R. 26-1(f).

2 **8. Motions and Dispositive Motions**

3 The Parties anticipate resolving the case on cross-motions for summary
4 judgment based on the administrative record in existence at the time the agency
5 made the challenged decisions. As such, the Parties agree that there can be no
6 genuine issues of material fact for the court to resolve in this case. The Parties
7 therefore propose that they be exempt from filing separate statements of
8 uncontested or undisputed material facts as otherwise required by Local Rule
9 56-1 and Local Rule 56-2, and instead propose that the Parties provide factual
10 background sections with citations to the administrative record in their
11 memoranda in support of the motions for summary judgment. *See Occidental*
12 *Eng'g Co. v. INS*, 753 F.2d 766, 769 (9th Cir. 1985) (in an APA action, “there are
13 no disputed facts that the district court must resolve. That court is not required to
14 resolve any facts in a review of an administrative proceeding. Certainly, there may
15 be issues of fact before the administrative agency. However, the function of the
16 district court is to determine whether or not as a matter of law the evidence in the
17 administrative record permitted the agency to make the decision it did.”).

18 At this time, the Parties do not anticipate the filing of any additional
19 motions other than cross motions for summary judgment, with the possible
20 exception of a motion filed by Plaintiffs to supplement and/or complete the
21 administrative record, in the event the Parties are not able to resolve any issues
22 with the scope or contents of the record. The Parties reserve the right to file other
23 motions in the event circumstances warrant and will confer in advance with the
24 other Party prior to filing any such motion in accordance with Local Rule 7-3.

25 The Parties have proposed a briefing schedule for both motions for
26 summary judgment below.

27 **9. Class Certification:** Not applicable

28 Joint Rule 26(f) Report,

29 Case No. 2:24-cv-05459-FMO-MAA

1 **10. Settlement/Alternative Dispute Resolution (ADR)**

2 No settlement discussions have occurred. The Parties do not believe the
3 ADR requirements apply to this case, which will be resolved based on an
4 administrative record and cross-motions for summary judgment. To the extent that
5 such requirements do apply, pursuant to Local Rules 26-1(c) and 16-15.4, the
6 Parties agree that ADR Procedure No. 1 would be best suited to this case and
7 prefer any such procedure occur before the magistrate judge. The Parties agree to
8 participate in any such efforts that the Court may direct.

9 **11. Pretrial Conference and Trial, Trial Estimate, Trial Counsel, and
Independent Expert or Master**

10 As noted above, this is a case based on review of an administrative record
11 that will be resolved based on cross-motions for summary judgment. The Parties
12 therefore do not anticipate a trial or any need for an independent expert or special
13 master. The Parties have proposed a hearing date for the motions for summary
14 judgment below. Lead counsel in this case for Plaintiffs is Kristen Monsell, of the
15 Center for Biological Diversity; and lead counsel in this case for Defendants is
Daniel Luecke, of the U.S. Department of Justice.

16 **12. Other Issues**

17 The Parties have not identified any technical or other issues that would
18 affect the status or management of the case. The Parties have no proposals
concerning severance, bifurcation, or other ordering of proof.

19 **13. Additional Parties**

20 The Parties do not currently anticipate the appearance of any additional
21 parties to this action. *See* L.R. 26-1(e). Counsel for Sable Offshore Corporation
22 LLC, the lessee and owner of the platforms at issue, contacted counsel for
23 Defendants in late July and early August 2024 regarding this case, but Defendants
have not communicated with Sable since that time.

1 **14. Scheduling**

2 The Parties propose the following schedule for resolution of this matter:

Deadline	Action
November 15, 2024	Defendants send the administrative record to Plaintiffs for Plaintiffs review
November 22, 2024	Deadline for Plaintiffs to confer with Defendants regarding the contents of the administrative record
November 29, 2024	Defendants lodge the administrative record with the Court
January 10, 2025	Plaintiffs' motion to supplement or complete the administrative record (The filing of such motion shall vacate the summary judgment briefing schedule)
January 17, 2025	Plaintiffs' motion for summary judgment
February 28, 2025	Defendants' combined opposition to Plaintiffs' motion for summary judgment and cross-motion for summary judgment
March 28, 2025	Plaintiffs' combined reply in support of their motion for summary judgment and oppositions to Defendants' cross-motion for summary judgment
April 25, 2025	Defendants' reply in support of their cross-motion for summary judgment
May 8, 2025	Hearing on motions for summary judgment

18 The parties believe that the cross-motions for summary judgment should
19 resolve all issues in this case. However, if any issues remain outstanding
20 following the Court's summary judgment ruling, the Parties will meet and confer
21 within 14 days of that ruling to develop a proposal for resolving any remaining
22 issues. *See L.R. 26-1(b).*

1 DATED: October 3, 2024
2

3 */s/ Kristen Monsell*

4 Kristen Monsell (CA Bar No. 304793)
5 Email: kmonsell@biologicaldiversity.org
6 CENTER FOR BIOLOGICAL DIVERSITY
7 1212 Broadway, Suite 800
Oakland, CA 94612
Phone: (510) 844-7137
Fax: (510) 844-7150

8 *Attorney for Plaintiffs*

9 TODD KIM

10 Assistant Attorney General
U.S. Department of Justice
11 Environment and Natural Resources Division

12 */s/ Daniel C. Luecke*

13 DANIEL C. LUECKE
14 Trial Attorney (CA Bar 326695)
Natural Resources Section
15 P.O. Box 7611, Ben Franklin Station
Washington, D.C. 20044
(202) 598-7863 | (202) 305-0506 (fax)
16 daniel.luecke@usdoj.gov

17 *Attorney for Federal Defendants*

18
19 I, Kristen Monsell, attest that all other signatories listed, and on whose
behalf the filing is submitted, concur in the filing's content and have authorized the
20 filing.
21

/s/ Kristen Monsell